

Law You Can Use: Consumer Information Column

Are You Covered When You Rent a Car?

While some personal auto insurance policies will cover you up to your policy limits for personal injury and property damage you cause while driving any vehicle, including a rental vehicle, others will not. Also, even if your liability coverage includes a rental vehicle, if you don't also have comprehensive and collision insurance, you may be held personally liable for any damage you cause to the rental vehicle.

Q.: *Isn't my insurance company required to cover a rental car no matter what?*

A.: No. While some states require insurance companies to cover rentals regardless of the circumstances, coverage in Ohio is purely a matter of contract between the insurance company and its customer, and insurance policy terms will vary. If your policy is not clear on this, consult with your insurance company, insurance agent or an attorney before assuming you will be covered.

Q.: *If my insurance company doesn't cover me when I drive a rental car, might I still be covered for a loaner car to drive while my own car is being repaired?*

A.: Maybe. Some individual policies that don't cover rental vehicles still will give you limited coverage for a "temporary replacement vehicle" to be used while your own car is being serviced. Not all policies offer such coverage, and there may be restrictions that may include a time limit on the use of the loaner vehicle. Verify that your own policy has liability coverage for claims of third parties as well as comprehensive and collision coverage for damage to the loaner vehicle.

The dealership or body shop providing the loaner car may have a policy that provides customers with liability coverage and even comprehensive and collision coverage for damage to the loaner vehicle. The insurance carrier for such a policy may, however, "subrogate" or seek payment from you or your insurance carrier if you should need to make a claim.

Q.: *Won't the rental company's insurance cover me?*

A.: Rental companies in all states, including Ohio, must show proof of "financial responsibility" (usually insurance or a bond) on the vehicles they rent to consumers. When you rent a car, however, most companies require you to agree to shift coverage to your personal carrier, and they often take the position that your personal insurance company is

primary. This means that your own insurance would pay before the rental company's insurance, and even if the rental company's insurance did apply, it might provide only minimum financial limits. If neither your personal auto policy nor the rental company's insurance will pay, you can be held personally liable for any damage you cause to people and property. If your personal policy will not cover you in a rental vehicle, then consider buying supplemental coverage from the rental company for the time you have the rental vehicle.

Q.: *What if I don't own a car and don't have car insurance at all?*

A.: In Ohio it is against the law to drive without insurance. If you don't have a non-owner's policy of insurance, you may be able to buy a supplemental liability policy from a rental company that is also authorized to sell insurance.

Law You Can Use is a weekly consumer legal information column provided by the Ohio State Bar Association. This article was original prepared by attorney Deborah Zaccaro. It was updated by Linda Ruse, an attorney with the Nationwide office in Canfield. Articles appearing in this column are intended to provide broad, general information about the law. Before applying this information to a specific legal problem, readers are urged to seek advice from an attorney.